

# **Department of Planning and Development**

Diane M. Sugimura, Director

#### MEMORANDUM

**TO:** Councilmember Sally Clark, Chair, COBE

Councilmember Sally Bagshaw Councilmember Tim Burgess

**FROM:** Diane M. Sugimura

**DATE:** July 8, 2011

**SUBJECT:** July 13, 2011 Committee Briefing: DPD Monthly Report

## **Update on Intake Appointments**

As of July 5, we continued to hold at two weeks. We update this information at the beginning of each week, so will be able to provide the latest information at the Committee meeting next week.

#### **Permits by the Numbers**

<u>Construction Permits</u>: Although construction value and numbers of permits are still significantly below the peak year of 2007, they are continuing to show some signs of recovery. In the month of June, the construction value of applications (\$300 million) was the best month in several years. We expect July will be fairly strong as well, with at least one large project, the Husky Stadium renovation, coming in this month.

In the first six months of 2011 we received 3,750 building permit applications, about an 18% increase over 2010. The volume figures have been holding pretty steady. The construction value associated with the applications totaled \$903.7 million compared to \$891.5 million in 2010. While this is a very modest increase of 1.4%, it is good to see that we are finally getting increases in both volume and value. Last month, the value was still 20% below the previous year, while volume was 20% over.

Four relatively large projects came in during June:

- A mixed use project on Lake City Way NE (6 stories with 9,000 SF of retail and 320 units) with a value of slightly under \$50 million.
- A UW student housing project on Adams Lane NE with a value of just over \$40 million.



- A mixed use project on NW Market Street (6 stories with 13,000 SF of retail and 272 units) with a value of slightly under \$35 million.
- A mixed use project on 17<sup>th</sup> Av W (7 stories with 5,500 SF retail and 234 units) with a value of slightly over \$35 million.

We issued 10% more building permits this year -3,460 compared with 3,136 in 2010. The construction value of the issued permits totaled \$1.171 billion compared with \$719 million last year, a continuing upward trend (+63%). Evidence and anecdote indicate that this significant increase in issue value at a time when intake value remains relatively flat means that projects that were stalled or on hold are moving through and out of the permitting process.

<u>Master Use Permits</u>: We received 47 MUP applications in June, compared with an average of 35 per month for the first five months of the year. While this is less than half the number received during the boom, this is the highest monthly total since September 2008. We are finally starting to see real movement in new projects, rather than only resurrection of existing projects. Both are good for jobs and the economy.

## **Target Review Times**

Our performance in meeting our initial plan review goals remains good although we again missed on one type of project, the proposals of medium complexity with a two week goal. As noted below, however, we significantly surpassed our goal in three weeks. Staffing remains tight and the high volume of applications in June combined with summer vacations is going to make meeting targets in July difficult. We are watching our revenues carefully and are making plans for possible additional staff, at least on a temporary basis.

• 48 hour initial review (goal = 80%): 91%

• 2 week initial review (goal = 80%): 50% (96 % within 3 weeks)

• 8 week initial review (goal = 70%): 85%

• 120-day construction total review (goal = 90%) 94%

• 120-day MUP total review (goal = 80%) 86%

## **Planning Work Plan**

We will also be prepared to present our second quarter report to update you on our City Planning work plan. The response to SLI 42-1-A-1 was sent to Councilmembers on June 29.

Thank you.